

III. Implementation and Administration

A. Administering Agency

Elder Affairs would administer the program, as a part of Prescription Advantage through an interagency agreement with the DMA, the single state Medicaid agency. Elder Affairs currently contracts with a private pharmacy benefits manager, which administers drug benefits and processes the claims for the pharmacy program. Elder Affairs also contracts with the University of Massachusetts Medical School to perform the customer service and enrollment aspects of the program. DMA and Elder Affairs would work together to ensure the pharmacy expansion program is implemented in a manner that leverages the most efficient purchasing mechanisms for prescription drugs available to the Commonwealth.

B. Financing

Services provided under the pharmacy expansion would be funded jointly through State funds and matching federal funds. Prescription Advantage would continue to provide access to prescription drug insurance coverage at full state cost to Massachusetts' residents 65 and older with incomes above 200% of the FPL with State funds.

Additional program revenue or cost offsets for services provided under this program would be derived from the enrollee cost-sharing components mentioned previously. If the final waiver terms and conditions approved by CMS for this pharmacy expansion program would meet the criteria for the federal drug rebate program (under 42U.S.C. 1396r-8), then the Commonwealth would seek such rebates under this waiver.

C. Early Termination of the Pharmacy Expansion Program

Massachusetts reserves the right to cap the number members receiving Prescription Advantage services with federal matching funds under this waiver. Additionally, Massachusetts reserves the right to end this expansion program should actual experience show that it is not budget neutral even if federal matching funds on the number of members receiving services through the program are capped. Further, Massachusetts may amend or terminate this program should any federal program provide access to prescription drugs for all or part of the waiver population. In the event that the waiver program is terminated due to the creation of a federal program, Massachusetts' residents should not be restricted from participation in any such federal program.